



DEPARTMENT OF EDUCATION

**Eligibility Designations and Applications for Waiving
Eligibility Requirements; Programs under Parts A and F of
Title III and Programs under Title V of the Higher
Education Act of 1965, as Amended (HEA)**

AGENCY: Office of Postsecondary Education, Department of Education (Department).

ACTION: Notice.

SUMMARY: The Department announces the process for designation of eligible institutions and invites applications for waivers of eligibility requirements for fiscal year (FY) 2022 for the programs under the Higher Education Act of 1965, as amended (HEA), listed in *Supplementary Information*.

DATES:

Applications Available: **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Deadline for Transmittal of Applications: January 21, 2022.

FOR FURTHER INFORMATION CONTACT: Christopher Smith, Institutional Service, U.S. Department of Education, 400 Maryland Avenue, SW, room 2B108, Washington, DC 20202. Telephone: (202) 453-7946 or (202) 262-7141. Email: Christopher.Smith@ed.gov; or Jason Cottrell, Ph.D., Institutional Service, U.S. Department of Education, 400

Maryland Avenue, SW, room 2B127, Washington, DC 20202.

Telephone: (202) 453-7530 or (202) 262-1833. Email:

Jason.Cottrell@ed.gov.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

The Department announces the process for designation of eligible institutions and invites applications for waivers of eligibility requirements for FY 2022 for the following programs:

1. Programs authorized under title III, part A of the HEA: Strengthening Institutions Program (Part A SIP), Alaska Native and Native Hawaiian-Serving Institutions (Part A ANNH), Predominantly Black Institutions (Part A PBI), Native American-Serving Nontribal Institutions (Part A NASNTI), and Asian American and Native American Pacific Islander-Serving Institutions (Part A AANAPISI).

2. Programs authorized under title III, part F of the HEA: Hispanic-Serving Institutions STEM and Articulation (Part F HSI STEM and Articulation), Predominantly Black Institutions (Part F PBI), Alaska Native and Native Hawaiian-Serving Institutions (Part F ANNH), Native American-Serving Nontribal Institutions (Part F NASNTI), and Asian American and Native American Pacific Islander-Serving Institutions (Part F AANAPISI).

3. Programs authorized under title V of the HEA:
Developing Hispanic-Serving Institutions (HSI) and
Promoting Postbaccalaureate Opportunities for Hispanic
Americans (PPOHA).

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Programs: The Part A SIP, Part A ANNH, Part A PBI, Part A NASNTI, and Part A AANAPISI programs are authorized under title III, part A of the HEA. The Part F HSI STEM and Articulation, Part F PBI, Part F ANNH, Part F NASNTI, and Part F AANAPISI programs are authorized under title III, part F of the HEA. The HSI and PPOHA programs are authorized under title V of the HEA. Please note that certain programs addressed in this notice have the same or similar names as other programs that are authorized under a different statutory authority. For this reason, we specify the statutory authority as part of the acronym for certain programs.

Under the programs discussed above, institutions are eligible to apply for grants if they meet specific statutory and regulatory eligibility requirements. An institution of higher education that is designated as an eligible institution may also receive a waiver of certain non-Federal cost-sharing requirements for one year under the Federal Supplemental Educational Opportunity Grant (FSEOG) program authorized by title IV, part A of the HEA

and the Federal Work-Study (FWS) program authorized by section 443 of the HEA. Qualified (eligible) institutions may receive the FSEOG and FWS waivers for one year even if they do not receive a grant under a title III or V grant program. An applicant that receives a grant from the Student Support Services (SSS) program that is authorized under section 402D of the HEA, 20 U.S.C. 1070a-14, may receive a waiver of the required non-Federal cost share for institutions for the duration of the grant. An applicant that receives a grant from the Undergraduate International Studies and Foreign Language (UISFL) program that is authorized under section 604 of the HEA, 20 U.S.C. 1124, may receive a waiver or reduction of the required non-Federal cost share for institutions for the duration of the grant.

Sections 312 and 502 of the HEA, 34 CFR 607.2-607.5, and 34 CFR 606.2-606.5 include most of the basic eligibility requirements for grant programs authorized under titles III and V of the HEA. Sections 312(b)(1)(B) and 502(a)(2)(A) of the HEA provide that, to be eligible for these programs, an institution of higher education's average "educational and general expenditures" (E&G) per full-time equivalent (FTE) undergraduate student must be less than the average E&G expenditures per FTE undergraduate student of institutions that offer similar instruction in that year.

The National Center for Education Statistics (NCES) calculates Core Expenses per FTE of institutions, a statistic like E&G per FTE. Both E&G per FTE and Core Expenses per FTE are based on regular operational expenditures of institutions (excluding auxiliary enterprises, independent operations, and hospital expenses). They differ only in that E&G per FTE is based on fall undergraduate enrollment, while Core Expenses per FTE is based on 12-month undergraduate enrollment for the academic year.

To avoid inconsistency in the data submitted to, and produced by, the Department, for the purpose of sections 312(b)(1)(B) and 502(a)(2)(A) of the HEA, E&G per FTE is calculated using the same methodology as Core Expenses per FTE. Accordingly, the Department will apply the NCES methodology for calculating Core Expenses per FTE.

Institutions requesting an eligibility exemption determination must use the Core Expenses per FTE data reported to NCES' Integrated Postsecondary Education Data System (IPEDS) for the most currently available academic year, in this case academic year 2019-2020.

Special Note: To qualify as an eligible institution under the grant programs listed in this notice, your institution must satisfy several criteria. For most of these programs, these criteria include those that relate to the enrollment of needy students and to the Core Expenses per FTE student

count for a specified base year. The most recent data available in IPEDS for Core Expenses per FTE are for base year 2019-2020. To award FY 2022 grants in a timely manner, we will use these data to evaluate eligibility.

Accordingly, each institution interested in either applying for a new grant under the title III or V programs addressed in this notice, or requesting a waiver of the non-Federal cost share, must be designated as an eligible institution in FY 2022. Under the HEA, any institution interested in applying for a grant under any of these programs must first be designated as an eligible institution. See 34 CFR 606.5 and 607.5.

Note: Please be advised that final eligibility is program specific. Applicants should refer to the program in question for programmatic requirements. Further information regarding eligibility is set forth below.

ELIGIBLE APPLICANTS:

The eligibility requirements for the programs authorized under part A of title III of the HEA are in sections 312 and 317-320 of the HEA (20 U.S.C. 1058, 1059d-1059g) and in 34 CFR 607.2-607.5. The regulations may be accessed at www.ecfr.gov/cgi-bin/text-idx?SID=bc12bf5d685021e069cd1a15352b381a&mc=true&node=pt34.3.607&rgn=div5. The eligibility requirements for the programs authorized by part F of title III of the HEA are

in section 371 of the HEA (20 U.S.C. 1067q). There are currently no specific regulations for these programs.

The eligibility requirements for the title V HSI program are in part A of title V of the HEA and in 34 CFR 606.2-606.5. The regulations may be accessed at www.ecfr.gov/cgi-bin/text-idx?SID=bc12bf5d685021e069cd1a15352b381a&mc=true&node=pt34.3.606&rgn=div51.

The requirements for the PPOHA program are in part B of title V of the HEA and in the notice of final requirements published in the *Federal Register* on July 27, 2010 (75 FR 44055), and in 34 CFR 606.2(a) and (b) and 606.3-606.5.

The Department has instituted a process known as the Eligibility Matrix (EM), under which we use information institutions submitted to IPEDS to determine which institutions meet the basic eligibility requirements for the programs authorized by title III or V of the HEA listed above. To make eligibility determinations for FY 2022, we use an institution's 2019-2020 enrollment and fiscal data. Beginning [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], an institution will be able to review the Department's EM eligibility decision by checking the eligibility system linked through the Department's Institutional Service Eligibility website:

<http://www2.ed.gov/about/offices/list/ope/itudes/eligibility.html>. The direct link is <https://HEPIS.ed.gov/>.

The EM is a read-only worksheet that lists all potentially eligible postsecondary institutions. If the EM entry for your institution indicates your institution is eligible for a particular program grant, you will not need to apply for eligibility or submit a waiver request as described in this notice. Rather, if you choose to apply for the grant, you may print out the eligibility letter directly. If your institution intends to apply for a program grant for which your EM entry does not show your institution is eligible, you must submit the application discussed in this notice before the application deadline of January 21, 2022.

To check your institution's eligibility in the EM, go to <https://HEPIS.ed.gov/>, and log into the system using your email address and password. If you are not sure whether you have an account in the system, click the "New User" button. If you have an account, the system will walk you through setup. Note that it may take up to five business days to verify user identity and to complete new account setup, so please allow enough time to complete the application. If the Grant Eligibility Application (GEA) system is open for new applications, you may check your institution's eligibility status by clicking the "View pre-

Eligibility Information" button. Your institution's eligibility information will display.

If the EM does not show that your institution is eligible for a program, or if your institution does not appear in the eligibility system, or if you disagree with the eligibility determination reflected in the eligibility system, you can apply for a waiver or reconsideration using the process described in this notice. The application process mirrors that used in previous years: choose the waiver option on the website at <https://HEPIS.ed.gov/> and submit your institution's application.

Please note that through this process, the Department does not certify, nor designate, an institution as a Historically Black College or University, Tribally Controlled College or University, Minority-Serving Institution, or Hispanic-Serving Institution. The Department's EM eligibility determination that an institution is eligible solely relates to the institution's ability to apply for and receive grants under certain programs as discussed in this notice.

Note: Institutions that submit a waiver request for either the Core Expenses per FTE or the Needy Student requirement must submit the required documents and supporting data and evidence by the deadline. All reviews and decisions will be made approximately two weeks after the deadline.

ENROLLMENT OF NEEDY STUDENTS: As noted above, to qualify as an eligible institution under the grant programs listed in this notice, your institution must satisfy several criteria, including those that relate to the enrollment of needy students and to the Core Expenses per FTE student count for a specified base year.

As to the enrollment of needy students, for programs under titles III and V (excluding the PBI programs), an institution is considered to have an enrollment of needy students if it meets either of the following two criteria: (1) at least 50 percent of its degree-seeking students received financial assistance under the Federal Pell Grant, FSEOG, or FWS programs; or (2) the percentage of its undergraduate degree-seeking students who were enrolled on at least a half-time basis and received Federal Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants at comparable institutions that offer similar instruction.

To qualify under the second criterion, an institution's Federal Pell Grant percentage for base year 2019-2020 must be more than the median for its category of comparable institutions provided in the 2019-2020 Median Pell Grant and Average Core Expenses per FTE Student Table in this notice. If your institution qualifies only under the first criterion, you must submit an application

containing the data necessary to satisfy the first criterion (showing at least 50 percent of your degree-seeking students received financial assistance under one of several Federal student aid programs (the Federal Pell Grant, FSEOG, or FWS programs)), since these data are not available in IPEDS.

“Enrollment of Needy Students” for purposes of the Part A PBI program is separately defined in section 318(b)(2) of the HEA, and for purposes of the Part F PBI program is defined in section 371(c)(3) of the HEA.

CORE EXPENSES PER FTE STUDENT: For each of the following programs, an institution should compare its base year 2019-2020 Core Expenses per FTE student to the average Core Expenses per FTE student for its category of comparable institutions using the 2019-2020 Median Pell Grant and Average Core Expenses per FTE Student Table in this notice: Title III, Part A SIP; Part A ANNH; Part A PBI; Part A NASNTI; Part A AANAPISI; Title III, Part F HSI STEM and Articulation; Part F PBI; Part F ANNH; Part F NASNTI; Part F AANAPISI; Title V, Part A HSI; and Title V, Part B PPOHA. An institution satisfies this program eligibility requirement if its Core Expenses for the 2019-2020 base year are less than the average Core Expenses of its comparable institutional category.

Core Expenses are defined as the total expenses for the essential education activities of the institution.

Core Expenses for public institutions reporting under the Governmental Accounting Standards Board (GASB) requirements include expenses for instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, depreciation, scholarships and fellowships, interest, and other operating and non-operating expenses. Core Expenses for institutions reporting under the Financial Accounting Standards Board (FASB) standards (primarily private, not-for-profit, and for-profit institutions) include expenses for instruction, research, public service, academic support, student services, institutional support, net grant aid to students, and other expenses. Core Expenses do not include Federal student aid for the purposes of eligibility. For both FASB and GASB institutions, Core Expenses do not include expenses for auxiliary enterprises (e.g., bookstores, dormitories), hospitals, and independent operations.

The following table identifies base year 2019-2020 median Federal Pell Grant percentages and average Core Expenses per FTE student for the four categories of comparable institutions:

Type of Institution	Base Year 2019-2020 Median Pell Grant Percentage	Base Year 2019-2020 Average Core Expenses per FTE Student
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Two-year Public Institutions	32	\$15,641
Two-year Non-profit Private Institutions	54	\$18,412
Four-year Public Institutions	35	\$34,275
Four-year Non-profit Private Institutions	35	\$42,922

Waiver Information: Institutions that do not meet the needy student enrollment requirement or the Core Expenses per FTE requirement may apply to the Secretary for a waiver of these requirements, as described in sections 392 and 522 of the HEA, and in the implementing regulations at 34 CFR 606.3(b), 606.4(c) and (d), 607.3(b), and 607.4(c) and (d).

Institutions requesting a waiver of the needy student enrollment requirement or the Core Expenses per FTE requirement must include in their application detailed evidence supporting the waiver request, as described in the instructions for completing the application.

The regulations governing the Secretary's authority to grant a waiver of the needy student requirement refer to "low-income" students or families, at 34 CFR 606.3(b)(2) and (3) and 607.3(b)(2) and (3). The regulations at 34 CFR 606.3(c) and 607.3(c) define "low-income" as an amount that does not exceed 150 percent of the amount equal to the poverty level, as established by the U.S. Census Bureau.

For purposes of this waiver provision, the following table sets forth the low-income levels (at 150 percent) for various family sizes:

2020 ANNUAL LOW-INCOME LEVELS			
Size of Family Unit	Family Income for the 48 Contiguous States, DC, and Outlying Jurisdictions	Family Income for Alaska	Family Income for Hawaii
1	\$19,140	\$23,925	\$22,020
2	\$25,860	\$32,325	\$29,745
3	\$32,580	\$30,725	\$37,470
4	\$39,300	\$49,125	\$45,195
5	\$46,020	\$57,525	\$52,920
6	\$52,740	\$65,925	\$60,645
7	\$59,460	\$74,325	\$68,370
8	\$66,180	\$82,725	\$76,095

Note: We use the 2020 annual low-income levels because those are the amounts that apply to the family income reported by students enrolled for the fall 2019 semester. For family units with more than eight members, add the following amount for each additional family member: \$6,720 for the contiguous 48 States, the District of Columbia, and outlying jurisdictions; \$8,400 for Alaska; and \$7,725 for Hawaii.

The figures shown under family income represent amounts equal to 150 percent of the family income levels established by the U.S. Census Bureau for determining poverty status. The poverty guidelines were published on

January 17, 2020, in the *Federal Register* by the U.S. Department of Health and Human Services (85 FR 3060), with an effective date of January 14, 2020.

Information about "metropolitan statistical areas" referenced in 34 CFR 606.3(b)(4) and 607.3(b)(4) may be obtained at:

www.census.gov/prod/2010pubs/10smadb/appendixc.pdf and
www.census.gov/prod/2008pubs/07ccdb/appd.pdf.

Electronic Submission of Waiver Applications:

If your institution does not appear in the eligibility system as eligible for a program to which you seek to apply, you must apply for a waiver of the eligibility requirements. To request a waiver, you must upload a narrative at <https://HEPIS.ed.gov/>.

Exception to the Electronic Submission Requirement: We discourage paper applications, but if electronic submission is not possible (e.g., you do not have access to the internet), you must provide a written statement that you intend to submit a paper application. This written statement must be postmarked no later than two weeks before the application deadline date (14 calendar days or, if the 14th calendar day before the application deadline date falls on a Federal holiday, the next business day following the Federal holiday).

Please send this statement to one of the persons listed in the FOR FURTHER INFORMATION CONTACT section of this notice.

If you submit a paper application, you must mail your application, on or before the application deadline date, to the Department at the following address: U.S. Department of Education, Attention: Jason Cottrell, 400 Maryland Avenue, SW, Room 2B127, Washington, DC 20202.

You must show proof of mailing consisting of one of the following:

- (1) A legibly dated U.S. Postal Service postmark.
- (2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.
- (3) A dated shipping label, invoice, or receipt from a commercial carrier.
- (4) Any other proof of mailing acceptable to the Secretary of the U.S. Department of Education.

If you mail your application through the U.S. Postal Service, we do not accept either of the following as proof of mailing:

- (1) A private metered postmark.
- (2) A mail receipt that is not dated by the U.S. Postal Service.

Note: The U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, you should check with your local post office.

We will not consider applications postmarked after the application deadline date.

Applicable Regulations: (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 75, 77, 79, 82, 84, 86, 97, 98, and 99. (b) The Office of Management and Budget Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR 180, as adopted and amended as regulations of the Department in 2 CFR part 3485. (c) The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended as regulations of the Department in 2 CFR part 3474. (d) The regulations for certain title III programs in 34 CFR part 607, and for the HSI program in 34 CFR part 606. (e) The notice of final requirements for the PPOHA program published in the *Federal Register* on July 27, 2010 (75 FR 44055).

Note: The regulations in 34 CFR part 79 apply to all applicants except federally recognized Indian Tribes.

Note: The regulations in 34 CFR part 86 apply to institutions of higher education only.

Note: There are no program-specific regulations for the Part A PBI, Part A NASNTI, and Part A AANAPISI programs or any of the title III, part F programs. Also, the HEA has been amended since the Department last issued regulations for programs established under titles III and V of that

statute. Accordingly, we encourage each potential applicant to read applicable sections of the HEA to fully understand all applicable program eligibility requirements.

II. Other Information

Accessible Format: On request to one of the program contact persons listed under FOR FURTHER INFORMATION CONTACT, individuals with disabilities can obtain this document and a copy of the application package in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

Electronic Access to This Document: The official version of this document is the document published in the *Federal Register*. You may access the official edition of the *Federal Register* and the Code of Federal Regulations at www.govinfo.gov. At this site you can view this document, as well as all other documents of this Department published in the *Federal Register*, in text or Portable Document Format (PDF). To use PDF, you must have Adobe Acrobat Reader, which is available free at the site.

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